

Message Text

CONFIDENTIAL

PAGE 01 KUWAIT 02489 120922Z

12

ACTION EB-07

INFO OCT-01 EUR-12 NEA-10 ISO-00 FEA-01 ERDA-05 AID-05

CEA-01 CIAE-00 CIEP-01 COME-00 DODE-00 FPC-01 H-02

INR-07 INT-05 L-03 NSAE-00 NSC-05 OMB-01 PM-03

USIA-06 SAM-01 OES-03 SP-02 SS-15 STR-04 TRSE-00

FRB-03 PA-01 PRS-01 /106 W
----- 012884

R 120805Z JUN 75

FM AMEMBASSY KUWAIT

TO SECSTATE WASHDC 3162

INFO AMEMBASSY ABU DHABI

AMEMBASSY BEIRUT

AMEMBASSY DOHA

AMEMBASSY JIDDA

AMEMBASSY LONDON

AMEMBASSY TEHRAN

AMEMBASSY THE HAGUE

USMISSION OECD PARIS

USMISSION EC BRUSSELS

USINT BAGHDAD

C O N F I D E N T I A L KUWAIT 2489

E.O. 11652: GDS

TAGS: ENRG KU

SUBJ: KOC TAKEOVER TALKS SOON IN KUWAIT

BEGIN UNCLASSIFIED:

1. UNDERSECRETARY OF OIL MAHMOUD ADESANI, AS REPORTED IN SIYASSA JUNE 11, SAID THAT GULF AND BP REPS WOULD BE ARRIVING HERE SOON TO CONTINUE TAKEOVER TALKS. KOC MANAGER STRAND CONFIRMED TO EMBOFF THAT COMPANY NEGOTIATORS DUE HERE NEXT WEEK.

2. AS REPORTED BY SIYASSA, ADESANI SAID GOK HAS FIXED END OF
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 KUWAIT 02489 120922Z

JUNE AS DEADLINE FOR TAKEOVER OF KOC. UNDERSECRETARY SIDESTEP-

PED REPORTER'S QUERY WHETHER GOK WOULD UNILATERALLY TAKE COMPANY OVER IF NEGOTIATIONS DID NOT SUCCESSFULLY CONCLUDE BY END OF MONTH, BUT ADESANI NOTED GOK QUOTE HAS ALWAYS BEEN A PIONEER IN TAKING INITIATIVES IN OIL AFFAIRS UNQUOTE SUGGESTING GOK NEED NOT WAIT FOR OTHERS TO CONCLUDE THEIR OWN NEGOTIATIONS.

3. ADESANI ALSO CONFIRMED RECENT PIW REPORT THAT GOK HAD GIVEN SHELL 20-30 ADDITIONAL DAYS CREDIT FACILITIES AND HE ADDED QUOTE IT WOULD BE LOGICAL TO GIVE MORE FACILITIES TO BP AND GULF WHICH HAVE MADE A LONG TERM OFFER TO BUY LIG QUANTITIES OF OIL AND WHICH AFTER ALL HAVE BEEN OPERATING IN KUWAIT FOR SO MANY YEARS. UNQUOTE.
END UNCLASSIFIED

BEGIN CONFIDENTIAL

4. COMMENT: NOT CLEAR HOW FIRM END OF JUNE DEADLINE IS OR WHETHER IN FACT GOK WILLING GIVE GULF AND BP SPECIAL CREDIT FACILITIES.

ADESANI STATEMENTS TO PRESS SEEM TO HAVE CERTAIN CARROT AND STICK QUALITY, AND NORMALLY GOK DOES NOT NEGOTIATE IMPORTANT OIL MATTERS THROUGH PRESS. STILL, HIS REMARKS WORTH NOTING, AND WE THINK HIS STATEMENTS RE EXTENDED CREDIT FACILITIES COULD BE INDICATION OF WHATEVER FLEXIBILITY EXISTS ON GOK SIDE. WE UNDERSTAND THAT NEWLY APPOINTED UNDERSECRETARY OF FINANCE SHAIKH ALI KHALIFA, FORMALLY OF MINISTRY OF OIL, WILL CONTINUE TO LEAD WORKING LEVEL NEGOTIATIONS FOR GOK. UNTIL NOW HE HAS BEEN RATHER TOUGH IN NEGOTIATIONS.

MAU

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: NATIONALIZATION, PETROLEUM INDUSTRY, NEGOTIATIONS
Control Number: n/a
Copy: SINGLE
Draft Date: 12 JUN 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: GolinoFR
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975KUWAIT02489
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Film Number: D750204-1135
From: KUWAIT
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t19750657/aaaabzzl.tel
Line Count: 91
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EB
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: GolinoFR
Review Comment: n/a
Review Content Flags: ANOMALY
Review Date: 21 APR 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <21 APR 2003 by ElyME>; APPROVED <22 APR 2003 by GolinoFR>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
06 JUL 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: KOC TAKEOVER TALKS SOON IN KUWAIT BEGIN UNCLASSIFIED
TAGS: ENRG, KU, GULF, BP
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 06 JUL 2006